

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

CC 97-172

In the Matter of

Petition of Bell Atlantic for Forbearance from
Section 272 Requirements in Connection with
National Directory Assistance Services

PETITION FOR FORBEARANCE

On September 27, the Commission issued an order granting U S WEST forbearance from section 272 of the Act in connection with its national directory assistance services.¹ Bell Atlantic² offers the same services and seeks the same relief. To expedite the Commission's consideration of this petition, Bell Atlantic has served it on all the parties in Docket No. 97-172.

The Service

Bell Atlantic provides a directory assistance service that is generally the same as that offered by U S WEST, as described in paragraphs 5 to 10 of the *Forbearance Order*. Bell Atlantic's service offers its 411 callers directory listings for anywhere in the country. Unlike the U S WEST service described in that order, however, all the directory assistance information is contained in information storage facilities owned by Bell Atlantic. Bell Atlantic's service is, therefore, authorized by section 271(g)(4) of the Act.

¹ *Petition of U S WEST Communications, Inc. for a Declaratory Ruling Regarding the Provision of National Directory Assistance*, Memorandum Opinion and Order, CC Docket No. 97-172 (rel. September 27, 1999) ("*Forbearance Order*").

² This application is submitted by New York Telephone Company and New England Telephone and Telegraph Company. The other Bell Atlantic telephone companies will be filing a separate petition.

This is how these calls are handled in Bell Atlantic's network.³ When a customer dials 411, 555-1212, or home-LATA NPA 555-1212, the local central office switch recognizes the call and routes it to an operator services switch. An adjunct system (Automatic Directory Assistance Services or ADAS) delivers a script asking the caller for the city, state and listing desired. This information is sent to a Bell Atlantic directory assistance operator who launches a database query. The query is sent to a location in New York or Massachusetts where Bell Atlantic stores its local directory assistance information and is transmitted over Bell Atlantic official services facilities.

If the caller is asking for local information or nonlocal information in New York or New England, the database in that location returns the number. An audio response unit adjunct to the operator switch plays the information for the customer.

If the requested number is a nonlocal listing outside New York and New England, the query is forwarded to one of two other information storage facilities, in Orange, California, and Wallington, NJ, over facilities Bell Atlantic obtains from an interexchange carrier. These information storage facilities were owned by VoltDelta, but have been purchased by Bell Atlantic. The nonlocal information retrieved from these information storage facilities is delivered to the caller by the same audio response units used for local information.

Forbearance Is Appropriate

The Commission found that the nonlocal directory assistance service that uses a Bell company's information storage facilities located outside the customer's LATA is an interLATA service that the Bell company is permitted to offer under section 271(g)(4). The Commission

³

A diagram is attached.

granted U S WEST forbearance from the separate subsidiary requirements of section 272 which generally apply to section 271(g)(4) services. That grant of forbearance was based on the Commission's finding that the requirements for forbearance in section 10 were satisfied. The Commission's finding is equally applicable to Bell Atlantic's service.

Enforcement of section 272 is not necessary to ensure that the charges, practices, classifications or regulations by, for, or in connection with that telecommunications carrier or telecommunications service are just and reasonable and are not unjustly or unreasonably discriminatory.

The Commission found that this test was satisfied in the *Forbearance Order*.

"We find that competition is the most effective means of ensuring that the charges, practices, classifications, and regulations with respect to U S WEST's provision of regionwide directory assistance service are just and reasonable, and not unjustly or unreasonably discriminatory."⁴

And, therefore,

"we conclude that enforcement of section 272, in its entirety, is not necessary to ensure that the charges, practices, classifications, and regulations with respect to U S WEST's provision of nonlocal directory assistance are just and reasonable, and not unjustly or unreasonably discriminatory."⁵

The same is true of Bell Atlantic national directory assistance service.

Bell Atlantic is a relatively new entrant in the business of providing nonlocal directory information. AT&T, MCI and Sprint all provide this service, as do as INFONXX and others. Nationwide telephone listings are also available from CD-ROM providers, Internet service providers and providers of payphone and cellular telephone services.

In the case of U S WEST, the Commission conditioned its forbearance on U S WEST's making available to unaffiliated entities all of the in-region directory listing information it uses to

⁴ *Forbearance Order* ¶ 31.

⁵ *Forbearance Order* ¶ 45.

provide regionwide directory assistance service at the same rates, terms, and conditions it imputes to itself.⁶ Bell Atlantic will offer regionwide listing information to unaffiliated entities on these terms. The Commission also required U S WEST to make appropriate changes in its cost allocation manual. Bell Atlantic filed its cost allocation manual modification on October 18.

In the *Forbearance Order*, the Commission also found that, if U S WEST used the directory listing information of the customers of independent and competitive LECs operating in its region, it must make such information available to unaffiliated entities. In addition, U S WEST must update and maintain the regional directory listing information it provides to unaffiliated entities in the same manner it updates and maintains such information it uses in the provision of nonlocal directory assistance service.⁷ Bell Atlantic will comply with these conditions.

Enforcement of section 272 is not necessary for the protection of consumers.

The Commission also found that the test of section 10(a)(2) was satisfied:

“We do not find that application of the section 272 safeguards is the only manner in which fair competition in the nonlocal directory assistance market may be achieved. Indeed, in our discussion of the first forbearance criterion, we determine that U S WEST must make available to unaffiliated entities all of the in-region directory listing information it uses to provide regionwide directory assistance service at the same rates, terms, and conditions it imputes to itself. As noted above, imposition of nondiscrimination requirements with respect to in-region telephone numbers should promote the development of a fully competitive market for nonlocal directory assistance services by ensuring that no one competitor will have an undue advantage in the nonlocal directory services market. This should stimulate the entry of new providers of nonlocal directory assistance. The introduction of additional competitors in the nonlocal directory services market will, in turn, encourage the providers of these services to compete on the basis of price and quality, which will ultimately benefit consumers. In view of this

⁶ *Forbearance Order* ¶ 37.

⁷ *Forbearance Order* ¶ 37.

finding, we conclude that enforcement of section 272 is not necessary to protect consumers.”⁸

These conclusions apply equally to Bell Atlantic’s national directory assistance services.

Forbearance from applying section 272 is consistent with the public interest.

The Commission made the following findings with respect to the U S WEST national directory assistance service:

“We conclude that allowing U S WEST to provide regionwide directory assistance service on an integrated basis will benefit consumers because they will be able to obtain a convenient, competitively-priced service. We further conclude that forbearance from the structural separation requirements of section 272 with respect to U S WEST’s provision of nonlocal directory assistance service will enhance competition among competing providers of nonlocal directory assistance service.”⁹

It further found

“that permitting U S WEST to provide nonlocal directory assistance service on an integrated basis will allow U S WEST to be a more effective competitor in the nonlocal directory services market. Conversely, if U S WEST was required to provide nonlocal directory assistance through a separate affiliate, while continuing to provide local directory assistance on an integrated basis, the section 272 safeguards would pose significant adverse competitive consequences for U S WEST, without positive benefits for consumers.”¹⁰

For these reasons, all of which apply equally to Bell Atlantic’s provision of this service, the

Commission “conclude[d] that forbearance from section 272 is in the public interest.”¹¹

⁸ *Forbearance Order* ¶ 47.

⁹ *Forbearance Order* ¶ 48.

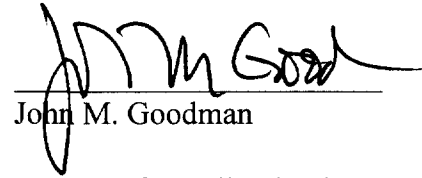
¹⁰ *Forbearance Order* ¶ 49.

¹¹ *Forbearance Order* ¶ 55.

Conclusion

Bell Atlantic respectfully requests that the Commission grant this petition.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "J M Goodman", is written over a horizontal line.

John M. Goodman

Attorney for Bell Atlantic

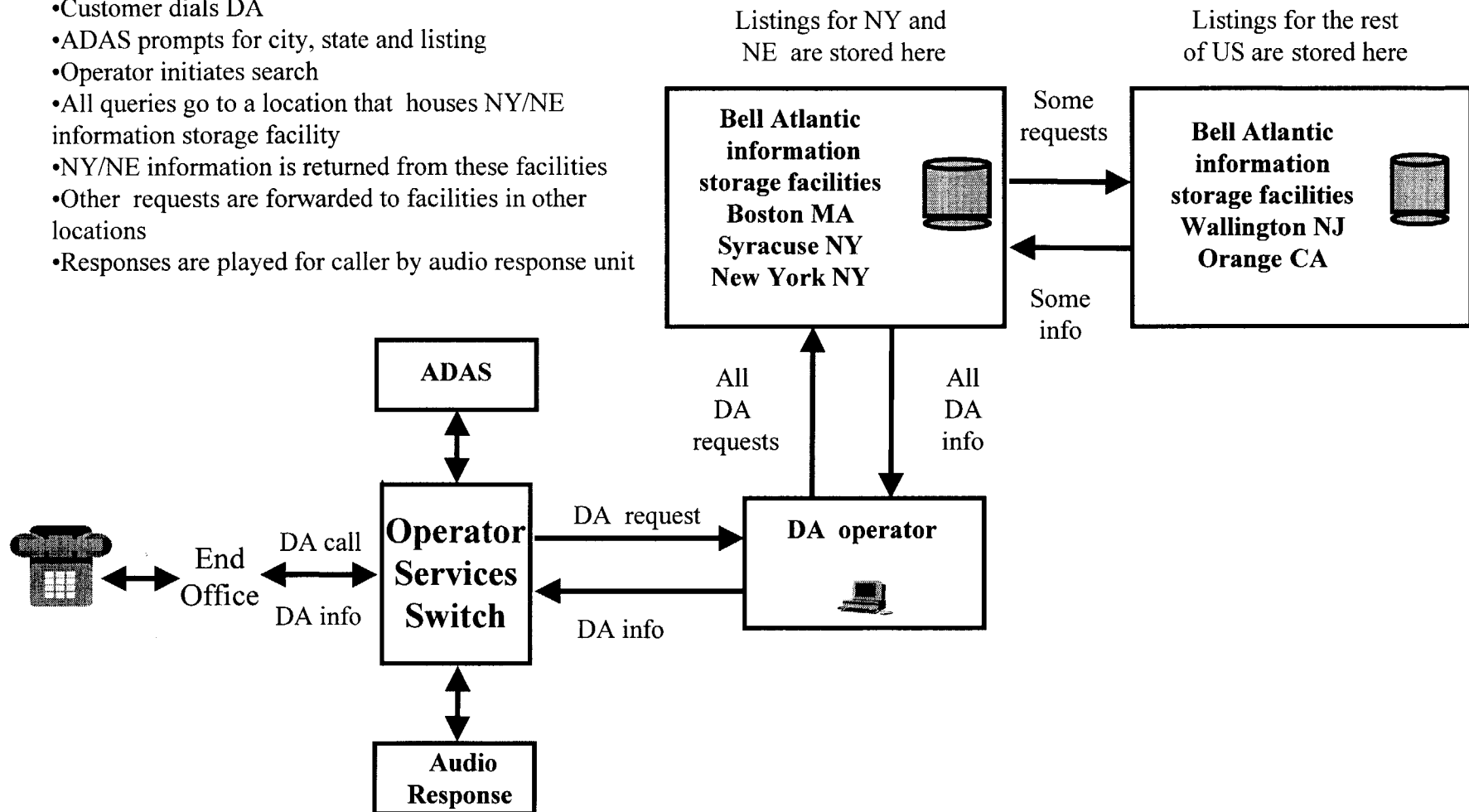
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Dated: October 22, 1999

National DA Service

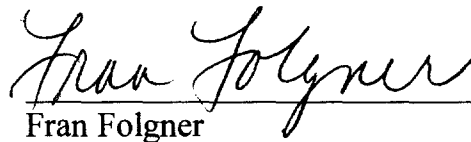
- Customer dials DA
- ADAS prompts for city, state and listing
- Operator initiates search
- All queries go to a location that houses NY/NE information storage facility
- NY/NE information is returned from these facilities
- Other requests are forwarded to facilities in other locations
- Responses are played for caller by audio response unit



CERTIFICATE OF SERVICE

I, Fran Folgner, hereby certify that on this 22nd day of October 1999, a copy of the foregoing Bell Atlantic Petition For Forbearance was served by US Mail and hand-delivery on the following parties.

Where indicated with an asterisk, service was hand delivered.


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